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FEDERAL COMMUNICATIONS COMMISSION  
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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of )  
 )  
Advanced Television Systems )  
and Their Impact upon the )  
Existing Television Broadcast )  
Service )

MM Docket No. 87-268

COMMENTS OF THE EIA/ATV COMMITTEE

The EIA/ATV Committee hereby responds to the Commission's "Memorandum Opinion and Order/Third Report and Order/Third Further Notice of Proposed Rule Making" ("Third Further Notice") in the above-captioned proceeding.<sup>1</sup> Once again, we welcome the opportunity to participate in the formulation of public policies for advanced television ("ATV").

The Third Further Notice addresses a wide variety of issues. Our comments, however, have a narrower focus. Our comments represent a consensus position on issues as to which we have a direct interest. Individual members of the Committee can and will express themselves on other issues, or in more detail on the following issues.

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<sup>1</sup>/ 7 FCC Rcd 6924 (1992) ("Third Further Notice").

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### Dual-Mode Receivers

The Commission has sought comments on "whether there is any need to require that manufacturers produce receivers capable of both NTSC and ATV reception during the period prior to full conversion to ATV." Third Further Notice at ¶ 81. We see no need for any such requirement.

At the outset, we should note that there is some uncertainty about the precise meaning of the quoted statement. Is the question whether all ATV receivers should be required to receive NTSC signals, or is it also contemplated that NTSC receivers might need to receive ATV signals as well? We would object to either requirement.

We fully anticipate that ATV receivers will generally incorporate NTSC reception capability, as other parties have also concluded.<sup>2</sup> This will be especially true in the earlier phases of the transition, that is, when NTSC remains the predominant medium for program origination and for program reception and display. But the inclusion of

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2/ See citations collected in Third Further Notice at footnote 311. To require an ATV reception capability in an NTSC receiver would be senseless. We can see no reason whatever for contemplating such a requirement. To impose any such requirement would cause a substantial increase in the price of NTSC receivers, especially in relation to the low cost of these products. Such an approach would be particularly unwelcome at a time when the consumers' perception of the value of these products may be declining because of the dwindling life expectancy of NTSC broadcasting.

this capability should be determined by the marketplace, not by government fiat.

To incorporate NTSC-reception capability in an ATV receiver will not be free; inevitably some additional cost will result. Early in the transition, when prices for ATV receivers will be high, this additional cost will be small in relation to the total price of the receiver, and the value of being able to receive NTSC will be high. As a result, those consumers who choose to buy ATV receivers will probably be willing to shoulder the additional expense. Later in the transition, when the price of ATV receivers has declined, the cost of including NTSC reception capability will be higher in relation to the (diminished) price of ATV receivers, and the value of having this capability will have diminished (both because of the increased availability of ATV programming and because of the short remaining life expectancy of NTSC broadcasting). At this stage, consumers may be much less inclined to shoulder any extra expense -- and to require them to do so would be inconsistent with the Commission's expressed intention to terminate NTSC broadcasting.

At either stage of the transition, or at points in between, manufacturers should make their own decisions about the characteristics of the products they wish to build, and consumers should make their own decisions about the

characteristics of the products they wish to buy.<sup>3</sup> There is no compelling governmental interest in mandating that the capability of receiving NTSC programming be included in ATV receivers, particularly since most people buying ATV receivers will already own still-functioning NTSC receivers.<sup>4</sup> These decisions must be made by manufacturers and consumers, just as many other decisions are made in the marketplace, without any unnecessary government restriction.

Incidentally, we fully agree with the Commission's view that the All-Channel Receiver Act does not require that the new ATV system be compatible with existing NTSC receivers. The statute is not mandatory but permissive; it merely gives the Commission authority, which the Commission has chosen to exercise, to establish regulations which ensure that television receivers are capable of receiving all channels in the television broadcast service.<sup>5</sup> On the

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3/ The differing aspect ratios of NTSC and ATV should not be overlooked. Consumers may prefer to view NTSC programming (with its 4 x 3 aspect ratio) on NTSC receivers rather than on ATV receivers (16 x 9) so as to avoid the cropped effect of the latter.

4/ Nor, as noted above, is there any good reason to require ATV reception capability in NTSC receivers. Of course, NTSC programming will continue to be available to consumers for some time to come -- through terrestrial broadcasting, through cable, and through direct broadcast satellites and other media -- and NTSC receivers will continue to be manufactured and sold for use with these services. To require receivers designed for this purpose to serve some other purpose, at additional expense, would saddle consumers with major disadvantages.

5/ See 47 U.S.C. §§ 303(s), 330(a) (1988); 47 C.F.R. §§15.117 (1991).

other hand, looking ahead, the Commission should recognize that the implementing regulation will need to be altered before ATV is introduced; otherwise, the capability of receiving both NTSC and ATV signals would be required. As we have already explained, there is no need for the Commission to require that either NTSC or ATV sets have a dual-mode reception capability.

#### Simulcasting

We continue to believe that the Commission should take steps to ensure the availability of true ATV-quality programming on the channels assigned for ATV use. The Commission has stated that it "expect[s] broadcasters to take full advantage of the capabilities of ATV" and emphasized that "the ATV channel must not be squandered." Third Further Notice at ¶ 76. Nonetheless, the Commission has deferred a decision on our suggestion that requirements be established for a minimum number of hours of true HDTV quality programming,<sup>6</sup> in part because of the danger that such a requirement might "inadvertently prohibit some sources and formats of programs on ATV channels that would be highly desirable to viewers." Id. We continue to believe that our suggestion has merit.

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<sup>6/</sup> See Comments of the EIA/ATV Committee, MM Docket No. 87-268, at 10-11 (July 16, 1992).

It is not our intention to foreclose sources and formats that might prove desirable to viewers. Our point was merely that consumer acceptance of ATV will require a sufficiently improved viewing experience to create a willingness to purchase ATV receivers. If the programming transmitted on the ATV channel is merely upconverted NTSC, it is difficult to imagine why viewers will make the substantial investments to buy new ATV receivers, especially if their NTSC sets are continuing to function well.<sup>7</sup>

Admonitions that the ATV channels must not be squandered, or that broadcasters will be expected to take full advantage of the opportunity they are being given, express the right sentiments, but this is not the language of legally enforceable obligations. The same kind of precision already used in setting forth the timing and percentage of hours that must be simulcast should also be used to ensure that the programming on the ATV channel is of true HDTV quality, not merely upconverted NTSC. We therefore renew our suggestion that the Commission specify minimum percentages of hours of programming on the ATV

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<sup>7/</sup> In this regard, it is important to remember that all programming transmitted on the ATV conversion channel is required, beginning three years after the six-year ATV application and construction period ends, to be transmitted also on the NTSC reversion channel within 24 hours. Third Further Notice at ¶ 64. Even two years earlier, fully half of the programming transmitted on the ATV channel must be transmitted also on the NTSC channel within 24 hours. Id.

channel that must meet HDTV criteria (which could be expressed in lines of vertical and horizontal resolution, multi-channel compact disk quality sound, etc.), with escalating percentages applied as the transition proceeds, such as:

| <u>Years</u> | <u>Percentage of True HDTV Programming</u> |
|--------------|--|
| 0-2          | 30   |
| 2-4          | 60   |
| 4-5          | 70   |
| 8-15         | 80   |

#### Flexibility

Certainly it is possible to envision a wide range of services that might be delivered on the conversion channel. At this stage in the process, the full range of possibilities cannot yet even be imagined. The potential uses of digital television are just beginning to be explored.

The technology is being developed in a way that will facilitate new capabilities within the ATV system itself. The use of data packets with headers and descriptors will enable the development of a wide range of possible services. Television receivers will likely include substantial computing power and memory. As ATV moves from the laboratory to the marketplace, many alternative services

may be developed which can add value for the consumer -- and add revenue for the broadcaster.

The alternative services permitted by a properly designed ATV system could include data for interaction with game shows, sports, and other programming, 3-D television, massive data transfers, multiple camera angles, picture-in-picture on one channel, rapid downloading of programs to VCRs, super teletext services, etc. We believe it is important to allow for these and similar innovations yet to be conceived. To do so need not -- and should not -- undermine the notion that the primary purpose of the ATV channels must be for the delivery of true HDTV.

We believe the Commission should provide additional clarification about the flexibility that will be allowed to broadcasters in their use of the ATV conversion channels. In our view, any additional services should be provided within the framework of the digital system that is selected (i.e., consistent with the format of the selected U.S. ATV standard) so that consumers would be protected against having to secure adaptors and converter boxes to avail themselves of these services. We further suggest that the Commission evaluate these supplementary services as part of its scheduled review of the ATV transition process, once the transition is under way.



Conclusion

We appreciate this opportunity to offer these views and we ask that they be considered as the Commission proceeds with the development of ATV rules and policies. We shall welcome additional opportunities to participate in the discussion of these important issues.

Respectfully submitted,

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